GRAD
HF
33
.P5
P56
1924-1926 incompl.

Philippine Progress

UNIVERSITY OF MICHIGAN
3 9015 03933 5503

C 517,705

Philippine Progress

Published in New York by the United States Mission—American Chamber of Commerce of the Philippine Islands

H. L. HEATH, *Chairman*
President A. C. C. of the P. I.

J. W. HAUSSERMANN
V. President A. C. C. of the P. I.

NORBERT LYONS
Secretary

C. M. COTTERMAN
Ex-President A. C. C. of the P. I.

No. 7 *Publication Office:* 66 BROADWAY, NEW YORK CITY, N. Y. SATURDAY, DECEMBER 27, 1924

GPAD
HF
331
.P5
P56
no. 7
Parlor

Investigator Tells of Misgovernment in Philippines Under Native Influence

What the "New York Evening Post" calls "the strongest indictment drawn against the misgovernment of a subject people since Edmund Burke's attack upon Warren Hastings," is contained in a series of articles entitled "Isles of Fear," written by Katherine Mayo and running simultaneously in some of the leading newspapers of the country. The indictment is found against the administration of Governor General Francis Burton Harrison, whose régime was marked by amazing manifestations of governmental incompetence, graft and maladministration.

The wrecking of the Philippine National Bank, as related by Miss Mayo, is a startling revelation of frenzied finance, which, according to the author, has no parallel in the history of banking. How the health department, the judiciary, and other governmental branches deteriorated under the mistaken "Filipinization" policy of the Harrison rule, is revealed by Miss Mayo with a wealth of detail and color.

One of the most surprising disclosures contained in the book is the fact that Secretary of War Baker specifically warned Mr. Harrison against a too rapid application and too liberal interpretation of the Jones Bill, the organic act of the Islands passed in 1916. Mr. Harrison, however, utterly disregarded the strictures and warnings of his superior.

Accounts of misuse of official and civic power on the part of the "caciques" or local bosses in the Islands abound in the book. Peonage and virtual slavery under the technicalities of the law are shown to exist. We are also made acquainted with the manner in which these "caciques" poison the minds of the "taos," or peasants, with anti-American propaganda, and how they picture "independencia" as a Utopian condition under which life would become one gay round of pleasure without work or responsibilities. It is these "caciques," we are told, who keep alive and foster the independence movement.

Governor General Wood is shown as a hard-working, self-sacrificing executive performing a thankless and herculean task quietly and effectively.

The articles are running in the "New York Evening Post," the "Washington Post," the "Boston Transcript," the "Chicago Daily News," the "St. Louis

(*Continued on page 2*)

ELECTION OF COOLIDGE GRATIFIES FILIPINOS

In commenting upon the election of President Coolidge, the "Manila Times" says:

"Not the least gratifying phase of the election to us in the Philippines is the attitude of Filipinos, both leaders and people. The best informed representatives of press and public comment rather favorably on the results, or if not favorably, at least in a friendly spirit. We have heard no opinions really adverse. Realization seems widespread that the Republicans, if less lavish of promises than the Democrats, have done far more for the Islands in the way of genuine educational and political development. The party has not attempted to build a skyscraper without first laying a foundation. The shrewdest of our Filipino friends see this."

Shark Skin Industry May Meet Demand for Leather

As sharks are abundant in Philippine waters and shark fisheries are profitable on the Florida coast, they should be profitable in the Philippines, according to P. J. Wester, agricultural adviser for the Philippine Bureau of Agriculture. Mr. Wester points out that shark fishing for the recovery of fins for export is of considerable importance in the Sulu archipelago, but that no attempt has been made to utilize any other part of the fish, particularly the skin, which is of value.

The utilization of the shark's skin constitutes the most important part of this new industry. The articles to be made from this shark leather, according to Mr. Wester, comprise all those obtained from the hides of other animals. Different grades, qualities and classifications are obtained as a result of varying the tanning process and adapting it to the special requirements of the product under treatment.

"The demand for the leather for all purposes has already exceeded the supply," he said. "One of the largest glove manufacturers in the United States has secured the whole of the output of suede leather made from the softer tissues and stomach membranes of the fish for the production of this specialty."

The boot industry, according to the expert, is advancing the heaviest demands, since the shortage of leather footwear has reached an acute stage in the United States. If the shark-skin industry is developed in the Philippines, America has a market capable of consuming all the supply, he thinks.

Filipino Legislators Refuse Sanction to New Industry

The Philippine legislature has decided to table the request of the California Packing Corporation whose representative wanted a 25-year franchise to Mindanao lands for pineapple cultivation, the franchise renewable in another 25 years.

Mr. Henry A. White, representing the corporation, believes that the Philippines would be benefitted with the extensive pineapple industry introduced in the Islands as has been done by his firm in Hawaii. Mindanao was selected as highly suitable because of the fertility of the soil and the absence of destructive typhoons.

The bill which the legislature has tabled was tentatively approved by the secretary of agriculture and other government officials before being submitted to that body. The present Public Lands Act limits to 2,812 acres public lands that a corporation may acquire.

In commenting upon this matter "La Vanguardia," a native newspaper, says:

"After having won the sanction of two departmental secretaries, the directors of various bureaus, and the chairmen of the senate and house committees on franchises, we do not see any reason why the legislature should not approve a bill granting Henry A. White the privilege to lease some 10,000 acres of public lands in Mindanao for the cultivation of pineapple. It is assured that this concession of extensive idle lands which now give no benefit would increase their value and that the pineapple industry would afford work for many laborers. The special law Mr. White wants enacted, would establish a precedent that would bring exploitation of vast areas of lands belonging to the state which now give no returns."

Misgovernment Under Native Influence

(*Continued from page 1*)

Globe-Democrat," the "Philadelphia Public Ledger" and other newspapers. Harcourt, Brace and Company, New York City, will publish the series in book form early in 1925.

Miss Mayo is a well-known writer on public questions and an experienced investigator. She went to the Philippines in December, 1923, unannounced and at her own expense, remaining there four months, during which period she conducted an impartial and thorough investigation of conditions and facts as she found them.

New Sponge Fields Discovered in the Islands

Proposed legislation designed to protect and improve the sponge fisheries in the Philippines through abolition or reduction of the present high concession fees and grant of government facilities in the development of the industry, is being studied by officials of the insular government.

Sponge fishing, once a profitable industry along the coasts of the Philippines, has lagged for a number of years, it is said, due principally to two factors, namely, the high concession fees demanded, which prohibit exploratory and development work, and secondly, the economic situation in Europe which has weakened the demand for the product temporarily.

Speaking of the extent and importance of the industry, Dr. W. T. C. Herre, head of the division of fisheries of the Bureau of Science, said the possibility of the sponge fishing industry in the Philippines first attracted attention after two Americans discovered, in 1907, the first bed of commercial sponges near Sitanki Island. Other fields have since then been discovered, such as the Tawi-tawi sponge beds, which are scattered over a wide area and produce a great many varieties of sponge known locally; the Siasi beds, the source of the first genuine sheep's-wool sponge in the Philippines; and the Basilan and Sacol Island beds.

Legislation Approved for Rehabilitating National Bank

A measure to rehabilitate the Philippine National Bank was recently passed by the Philippine legislature.

The four principal features of the plan are the reduction of the capital from $17,500,000 to $5,000,000, purchase of the privately controlled stock, condonation of the debts of the bank to the government, and the government's assumption of complete responsibility over the bank. To carry out the last provision, it is stipulated in the bill that the insular treasurer shall place on deposit with the official depositories of the government of the United States such portion of the insular reserves as may be necessary to complete the amount required by law to guarantee the bank's outstanding circulation.

Fifty per cent of the gains of the bank shall be untouched until such deposited gains equal one-half of the total capital, after which only 25 per cent will be reserved to complete the total capital. The balance of gains are to be distributed to deposits to build up the reserve funds, to deposits intended to ultimately reimburse the government for its lost fixed deposits in the bank, and to pay the government for what it loses in the reduction of the bank's capital. Dividends are never to be paid stockholders until all such deposits are completed.

American Capital is Ready to Embark If Funds Can Enjoy Proper Security

Unlimited American capital waits to pour into the Philippines whenever a fixed status is established in the Islands and proper security for funds can be offered, according to William T. Nolting, president of the Bank of the Philippine Islands and director of the Manila Railroad Company, who recently returned to Manila after a trip to America.

"There is all the capital available that the Philippines can possibly use," he said. "It seeks to enter the Islands for development work, but first there must be a responsible authority whose status is fixed. In addition there must be ample securities and a profit larger than that offered by the gilt-edged securities of the United States. This is necessary because development work in any area is a speculative proposition. This condition has existed in the opening of other lands and it must be met if the Philippines are to be developed."

Mr. Nolting found that the thing Americans want from the Filipinos is cooperation. Without it, he said, there could be no real progress.